

Message Text

LIMITED OFFICIAL USE

PAGE 01 ANKARA 07391 170953Z

12

ACTION AID-31

INFO OCT-01 EUR-25 ISO-00 SP-03 EB-11 NSC-07 RSC-01

CIEP-03 TRSE-00 SS-20 STR-08 OMB-01 CEA-02 CIAE-00

COME-00 FRB-03 INR-11 NSAE-00 XMB-07 OPIC-12 LAB-06

SIL-01 L-03 DRC-01 /157 W

----- 038761

R 170627Z SEP 74

FM AMEMBASSY ANKARA

TO SECSTATE WASHDC 6114

INFO AMEMBASSY BONN

USMISSION OECD PARIS

LIMITED OFFICIAL USE ANKARA 7391

E.O. 11652: N/A

TAGS: EAID, TU

SUBJECT: TURKISH INTEREST IN FUTURE OF CONSORTIUM

REF: STATE 202272

1. IN COURSE OF DISCUSSION OF GOT VIEWS ON IBRD-IMF ANNUAL MEETING (REPORTED SEPARATELY), GOT SECRETARY GENERAL OF TREASURY GUL TOLD ECONOMIC/COMMERCIAL COUNSELOR HE WOULD LIKE TO KNOW USG VIEWS WITH REGARD TO CONTINUANCE OF CONSORTIUM FOR AID TO TURKEY. AT THIS POINT, CONSORTIUM COULD (A) CONTINUE TO OPERATE REGULARLY AS IT HAS IN THE PAST, OR (B) HAVE ITS ACTIVITY "FROZEN" FOR A WHILE UNTIL THE ECONOMIC OUTLOOK COULD BE SEEN MORE CLEARLY. IN THE LATTER EVENT, CONTINUING ASSISTANCE COULD BE DISCUSSED BILATERALLY BETWEEN THE GOT AND CONTRIBUTING COUNTRIES.

2. E/COM COUNSELOR SAID HE BELIEVED US AND OTHER CONSORTIUM MEMBERS WOULD BE GREATLY INTERESTED TO HEAR ANY VIEWS GOT MAY HAVE ON FUTURE OF CONSORTIUM. GUL SAID GOT WOULD NOT WISH TO MOVE TOWARDS "FREEZING" OF CONSORTIUM WITHOUT FIRST
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ANKARA 07391 170953Z

HAVING AN UNDERSTANDING WITH ITS MAJOR PARTNER, I.E., THE US.

IN THE CONSORTIUM, HE SAID, GOT HAD ALWAYS EXPLAINED ITS POSITION AND PROVIDED ANY INFORMATION REQUESTED. E/COM COUNSELOR SAID GOOD PROGRESS OF TURKISH ECONOMY AND IMPROVEMENT IN TURKEY'S FOREIGN EXCHANGE POSITION HAD CERTAINLY ALTERED TURKEY'S NEED FOR DEVELOPMENT ASSISTANCE. HE NOTED ALSO THAT GOT HAD PROVIDED CONSORTIUM WITH INFORMATION ABOUT PLANS AND PROGRAMS AND HAD ANSWERED QUESTIONS FROM MEMBERS. HOWEVER, IT HAD NOT, IN RECENT YEARS AT LEAST, BEEN DISPOSED TO USE CONSORTIUM FOR SUBSTANTIVE DISCUSSIONS BUT MAINLY TO GET ASSURANCES OF AMOUNT AND TYPE OF ASSISTANCE FROM MEMBERS.

3. GUL ACKNOWLEDGED THAT THE FOREGOING WAS SO. TURKEY'S FOREIGN EXCHANGE RESERVES HAVE BEEN JUST OVER TWO BILLION DOLLARS FOR THE PAST YEAR. THEY ARE NOW ABOUT \$2.2 BILLION. THEY MIGHT SOON BE DOWN TO TWO BILLION OR TO \$1.9 BILLION. HOWEVER, AT THESE LEVELS THE RESERVES ARE MUCH LESS SIGNIFICANT THEN THEY WERE A YEAR AGO BECAUSE OF THE SURGING PRICES OF TURKEY'S IMPORTS. THE LATTER WILL PROBABLY REACH \$3 BILLION DURING 1974 (VERSUS \$2.1 BILLION IN 1973). FOREIGN EXCHANGE RESERVES EQUIVALENT TO SIX MONTHS OF IMPORTS IS A DESIRABLE MARGIN. A DEVELOPING COUNTRY SUCH AS TURKEY REQUIRES PERHAPS SOMEWHAT LARGER RESERVES. TURKEY'S POSITION IS THUS LESS SECURE THAN IT MAY HAVE SEEMED PREVIOUSLY AND THE FUTURE IS UNCERTAIN. GUL SAID IN SUMMARY THAT HE THINKS THE CONSORTIUM SHOULD BE CONTINUED IN ITS PRESENT FORM. THE FORMAL MEETINGS OF THE CONSORTIUM TAKE ONLY A FEW DAYS PER YEAR AND OFFER A CONVENIENT OCCASION FOR PRESENTATION OF INFORMATION TO THE MEMBERS ABOUT TURKEY'S PROGRAMS AND NEEDS.

MACOMBER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CONSORTIUMS, FOREIGN ASSISTANCE
Control Number: n/a
Copy: SINGLE
Draft Date: 17 SEP 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: cunninfx
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974ANKARA07391
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740260-0612
From: ANKARA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740940/aaaabhxe.tel
Line Count: 90
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION AID
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: STATE 202272
Review Action: RELEASED, APPROVED
Review Authority: cunninfx
Review Comment: n/a
Review Content Flags:
Review Date: 30 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <30 APR 2002 by ifshinsr>; APPROVED <06 MAR 2003 by cunninfx>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: TURKISH INTEREST IN FUTURE OF CONSORTIUM
TAGS: EAID, TU, (GUL, AHMET TUFAN)
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005